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**CHILD SUPPORT PROGRAM  
CASE CLOSURE**

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**TABLE OF CONTENTS**

**CHAPTER 12-300 CASE CLOSURE**

	<b>Section</b>
General.....	12-301
Case Closure Criteria .....	12-302
Record Retention .....	12-303

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**12-300      CASE CLOSURE      12-300**

**12-301      GENERAL      12-301**

.1      The district attorney shall establish and use a system for closing Title IV-D cases in accordance with this chapter.

.11      The district attorney shall be permitted to continue to work a case that otherwise qualifies for closure under Section 12-302, if the district attorney believes there is potential for success.

.2      Definitions of terms used in these regulations, which are common to the Child Support Enforcement Program, are found in MPP Sections 12-701, 12-101.3, and 12-601.

.3      Definitions of terms specific to these regulations are:

a.      (Reserved)

b.      (Reserved)

c.      (1)      Case closure -- means that Title IV-D services will no longer be provided. However, closure does not affect the support order, if the order is still current, or arrearages have accrued under the order. Although the district attorney closes a case, a support order that is current remains in effect and arrearages continue to accrue for the life of the order.

d.      (Reserved)

e.      (Reserved)

f.      (Reserved)

g.      (Reserved)

h.      (Reserved)

i.      (Reserved)

j.      (Reserved)

k.      (Reserved)

l.      (Reserved)

m.      (Reserved)

n.      (Reserved)

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<b>12-301</b>	<b>GENERAL (Continued)</b>	<b>12-301</b>
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- o. (Reserved)
- p. (Reserved)
- q. (Reserved)
- r. (Reserved)
- s. (Reserved)
- t. (1) Transitional Child Care (TCC) -- means the TCC program administered by the Title IV-A agency in accordance with MPP Section 47-100 et seq.
- u. (Reserved)
- v. (Reserved)
- w. (Reserved)
- x. (Reserved)
- y. (Reserved)
- z. (Reserved)

NOTE: Authority cited: Sections 10554, 11475 and 11479.5, Welfare and Institutions Code. Reference: Section 11479.5, Welfare and Institutions Code; 45 CFR Section 303.11(a); Federal Register, Vol. 54, No. 149, August 4, 1989, page 32303, comments a.1 and a.3.

<b>12-302</b>	<b>CASE CLOSURE CRITERIA</b>	<b>12-302</b>
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- .1 Title IV-D cases qualify for closure only if they meet at least one of the following criteria:
  - (a) There is no longer a current support order and arrearages are under \$500; or, arrearages are unenforceable under state law. Situations to which these criteria apply include, but are not limited to, the following:
    - (1) Reconciliation of the family or the death of a child constitutes grounds for terminating the current support order.

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<b>12-302</b>	<b>CASE CLOSURE CRITERIA (Continued)</b>	<b>12-302</b>
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- (2) Medical support orders and arrearages which accrue under such orders. Medical support arrearages would be part of the arrearages accruing under the support order if a specific dollar amount for medical support is designated in the order by a court or administrative authority.
- (b) The absent parent or putative father is deceased and both of the following apply:
  - (1) No further action can be taken, including a levy against the estate.
  - (2) The district attorney has documented the attempts to identify assets which could be levied and the attempts were unsuccessful.
- (c) Paternity cannot be established because of one of the following:
  - (1) A genetic test or court or administrative process has excluded the putative father and no other putative father can be identified.
  - (2) The district attorney determines that the child's best interest will not be served by establishing paternity because incest or rape was involved, or legal proceedings for adoption are pending.
- (d) The absent parent's location is unknown and the district attorney has made quarterly attempts for three years, using multiple sources, to locate the absent parent, all of which have been unsuccessful.
- (e) The absent parent cannot pay support for the duration of the child's minority for any of the three reasons stated below and the district attorney determines that no income or assets are available to the absent parent which could be levied or attached for support:
  - (1) The absent parent is institutionalized in a psychiatric facility.
  - (2) The absent parent is incarcerated with no chance of parole.
  - (3) The absent parent has a medically verified total and permanent disability with no evidence of support potential.
- (f) The absent parent lives in a foreign country and all of the following apply:
  - (1) The absent parent is a citizen of a foreign country.

<b>12-302</b>	<b>CASE CLOSURE CRITERIA (Continued)</b>	<b>12-302</b>
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- (2) The absent parent does not work for the United States government or a company which has its headquarters or offices in the United States.
- (3) The absent parent has no reachable domestic income or assets.
- (4) The state is unable to establish reciprocity with the country.
- (g) The district attorney has provided location-only services as requested by the custodial parent, legal guardian, attorney, or agent of a child who is not receiving AFDC, whether or not such services were successful.
- (h) The non-AFDC custodial parent requests closure of a case and any arrearages assigned to the state are under \$500.
- (i) There has been a finding of good cause and the state or local welfare (Title IV-A) or foster care (Title IV-E) agency has determined that support enforcement may not proceed without risk or harm to the child or caretaker relative. (See MPP Section 43-107.4 for good cause criteria.)
- (j) The district attorney is unable to contact the non-AFDC custodial parent over a 30-calendar-day period despite attempts to contact the parent both by phone and letter, including at least one certified, return receipt, letter.
- (k) The non-AFDC custodial parent is uncooperative and both of the following apply:
  - (1) The district attorney documents the circumstances of noncooperation in the case file.
  - (2) An action by the custodial parent is essential for the next step in providing Title IV-D services.
- (l) The case involves only the establishment of an order for the reimbursement of aid and all of the following apply:
  - (1) Aid has terminated.
  - (2) The absent parent is located.



<b>12-302</b>	<b>CASE CLOSURE CRITERIA (Continued)</b>	<b>12-302</b>
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- (3) The absent parent refuses to stipulate to a reimbursement order.
  - (4) Court ordered reimbursement cannot reasonably be expected to exceed \$1,000.
  - (m) The custodial parent has moved to another county or state and both of the following apply:
    - (1) The custodial parent applied for services in the other county or state.
    - (2) The district attorney documents in the case file that contact was made with the other county or state to confirm that the custodial parent has applied for services in the other county or state, or, in the case of an intercounty transfer, to confirm that the case has been transferred.
- .2 The district attorney shall notify the custodial parent of the Title IV-D agency's intent to close the case.
  - .21 Notice of case closure to the custodial parent need not be provided for cases closed under Sections 12-302.1(g), .1(h), or .1(i).
  - .22 When cases are being closed under Sections 12-302.1(h), (j), or (k) and the non-AFDC custodial parent is receiving TCC, the district attorney shall notify the Title IV-A agency about the cases being closed.
- .3 Notice of case closure shall be sent in writing 60 calendar days prior to closing the case.
  - (a) The notice of intent to close the case must provide, at a minimum, the following information:
    - (1) The reason why the case is being closed.
    - (2) The circumstances under which the case could be reopened, such as new information regarding the absent parent's location.

<b>12-302</b>	<b>CASE CLOSURE CRITERIA (Continued)</b>	<b>12-302</b>
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- (3) A telephone number and address where questions concerning the case closure notice can be directed.
- (b) The case shall be kept open if the custodial parent responds to the closure notice with information that could lead to the establishment of paternity or a support order or enforcement of an order.
- (c) The case shall remain open if contact is re-established with the custodial parent in the instance of Section 12-302.1(j).
- .4 The case shall be considered for reopening at a later date if the custodial parent requests that the case be reopened and can provide information that could lead to the establishment of paternity or a support order or enforcement of an order.
- .5 Child support services shall continue after aid is terminated until the recipient notifies the district attorney that he/she no longer desires the services.

NOTE: Authority cited: Sections 10554, 11475 and 11479.5, Welfare and Institutions Code. Reference: 45 CFR Sections 302.33(a)(4), 302.35(c)(3), 303.3(b)(5), 303.11(b)(1) through (b)(12), and (c); Sections 11350 and 11479.5, Welfare and Institutions Code; Federal Register, Vol. 54, No. 149, dated August 4, 1989, page 32304, comments b.3, b.4 and c.2 and page 32306, comment k; Federal Register, Vol. 54, No. 98, dated May 23, 1989, page 22328, first column, second paragraph; Sections 4700(c) and 7006(a)(1), Civil Code; and Office of Child Support Enforcement letter dated November 3, 1989.

<b>12-303</b>	<b>RECORD RETENTION</b>	<b>12-303</b>
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- .1 Closed Title IV-D case records shall be retained for a minimum of three years from the date the State Department of Social Services submits the last expenditure report for the last quarter of the federal fiscal year to the Department of Health and Human Services.
- .11 Records and supporting documentation shall be retained longer when:
  - .111 They are the subject of an open federal and state audit.
  - .112 They are the subject of a pending civil litigation or when a court orders that such records be retained for an extended period.

NOTE: Authority cited: Sections 10554, 11475 and 11479.5, Welfare and Institutions Code. Reference: 45 CFR Section 303.11(d); 45 CFR Part 74, Subpart D, Sections 74.20, .21(a) and (b) and .22(a); and Section 11479.5, Welfare and Institutions Code.

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**CHILD SUPPORT PROGRAM  
CHILD SUPPORT COLLECTIONS AND DISTRIBUTION**

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**TABLE OF CONTENTS**

**CHAPTER 12-400 CHILD SUPPORT COLLECTIONS AND DISTRIBUTION REGULATIONS**

	<b>Section</b>
General Statement .....	12-401
Definitions .....	12-405
Assignment of Support Rights .....	12-410
Allocation of Payments in Multiple Cases .....	12-415
Distribution Hierarchy .....	12-420
Welfare Distribution Process .....	12-425
Child/Family/Medical/Spousal Support Disbursement Requirements .....	12-430
Child/Family and Spousal Support Monthly Reports .....	12-435

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**CHAPTER 12-400 CHILD SUPPORT COLLECTION AND DISTRIBUTION REGULATIONS**

<b>12-401</b>	<b>GENERAL STATEMENT</b>	<b>12-401</b>
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- .1 The collection and distribution procedures of the Child Support Enforcement Program are a key component for accurately processing support payments received in Title IV-D cases enforced by the district attorney. Depending on the aid or non-aid status, collections may be distributed to families, or used for repayment of cash or medical aid payments provided to the family, or used as abatements against the district attorney's quarterly administrative expenditure claim. This chapter addresses the requirements for the duration of the assignment of support rights for current and former assistance cases, the requirements for allocating support payments when noncustodial parents have more than one case within the county, the application of support payments within the individual case by arrearage types and debt types, performing the welfare distribution process, and the requirements for reporting support collections to the Department for management purposes and federal reporting, and specifies the required case level audit trail reports.
- .2 Manual of Policies and Procedures Division 25, Handbook Sections 25-900 through 25-925 are replaced with these regulations.

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NOTE: Authority Cited: Sections 10553, 10554, 11457, 11475, and 11479.5, Welfare and Institutions Code. Reference: Personal Responsibility and Work Opportunity Act of 1996 (P.L. 104-193), Section 452(a), [42 U.S.C. 652(a)], Section 454B(c)(1), [42 U.S.C. 654B(c)(1)], Section 455(d) [42 U.S.C. 655(d)], and Section 457(a) [42 U.S.C. 657(a)].

**12-405 DEFINITIONS****12-405**

- .1 Definitions of terms used in these regulations, which are common to the Child Support Enforcement Program, are found in MPP Sections 12-101, 12-301, 12-501, 12-601, and 12-701.
- .2 When used as a term specific to Chapter 12-400:
- (a) (1) "AFDC" -- means Aid to Families with Dependent Children aid program, which was a federal program paid under Title IV-A of the Social Security Act, funded with federal, state and county funds, and a non-federal aid program funded with state and county funds.
  - (2) "Allocation" -- means the first step in the distribution process to apportion a support payment between several cases/children.
  - (3) "Assigned" -- means the rights to support payments have been turned over to the state (and the county) as a condition of receiving aid.
  - (b) Reserved
  - (c) (1) "Conditionally Assigned Arrearages" -- means the arrearages that were temporarily assigned while the family received aid, but the temporary assignment has ended because the family is no longer receiving aid. These arrears are normally unassigned and paid to the family if collected from a source other than IRS tax intercept. However, when collections are received from the IRS tax intercept these arrears are conditionally assigned and will be used to reimburse aid paid.
  - (2) "Collection" -- means the amount of support payment received from a noncustodial parent or other person or agency on behalf of an obligor who is ordered by the court to pay support on behalf of the children or spouse.
  - (3) "Current Assistance Case" -- means a Title IV-D case that is currently receiving aid under CalWORKs (which includes the legal immigrant program) or foster care.
  - (d) (1) "Disbursement" -- means the actual dispensing or paying out of the collection.
  - (2) "Distribution" -- means the application of monies to specific accounts to determine the appropriate disbursement of monies.
  - (e) Reserved
  - (f) (1) "Former Assistance Case" -- means a Title IV-D case that has in the past received aid under AFDC, TANF/CalWORKs (which includes the legal immigrant program), or foster care.
  - (2) "Foster Care" -- means the federal foster care aid program under Title IV-E of the Social Security Act which is funded with federal, state, and county funds, and the non-federal aid program funded with state and county funds.

<b>12-405</b>	<b>DEFINITIONS</b> (Continued)	<b>12-405</b>
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- (3) "Futures" -- means collections received from the noncustodial parent that are in excess of the current support obligations and no arrearages exist.
- (g) Reserved
- (h) Reserved
- (i) Reserved
- (j) Reserved
- (k) Reserved
- (l) Reserved
- (m) "Mixed Status Cases" -- means a Title IV-D case where one or more of the children in the case have a different aid or non-aid status, either currently or in the past.
- (n) (1) "Never Assigned Arrearages" -- means arrearages that have never been assigned to the state in never assistance cases. Never assigned arrears are also the arrearages in former assistance cases that accrued after the family's most recent period of aid ends.
- (2) "Never Assistance Case" -- means a Title IV-D case that is not currently and has never in the past received aid under AFDC, CalWORKs (which includes the legal immigrant program), or foster care.
- (o) (Reserved)
- (p) (1) "Payment Source" -- means the origin (e.g., person, other county or state child support enforcement agency) or the enforcement method used to obtain the support payment received (e.g., wage assignment, writs, till taps, tax intercept, etc.).
- (2) "Permanently Assigned Arrearages" -- means unpaid support that is assigned to the state as of September 30, 1998 and the unpaid support that accrues on or after October 1, 1998 while the family is receiving aid.
- (q) Reserved
- (r) (1) "Recoupment" -- means the amount of support that was collected that has been applied to reimburse in whole or in part the unreimbursed assistance pool which is used to reimburse the federal, state and county governments for aid paid to the family.
- (2) "Regular Payments" -- means all collections received, regardless of payment sources, except IRS tax intercept.

**12-405**    **DEFINITIONS** (Continued)**12-405**

- (s) "Single Status" -- means a Title IV-D case where all of the children in the case are the same status, either currently receiving assistance, formerly received assistance, or never received assistance.
- (t) "Temporarily Assigned Arrearages" -- means the unpaid support that accrues after October 1, 1998 and before the period the family receives aid (pre-assistance arrears), and any unassigned arrears that accrued before October 1, 1998 when the family goes on aid after October 1, 1998. These arrearages are not permanently assigned. The temporary assignment ends when the family stops receiving aid.
- (u)
  - (1) "Unassigned During Assistance Arrearages" -- means unpaid support in former assistance cases that accrued while the family was receiving aid (permanently assigned arrearages), but which exceeded the total unreimbursed assistance pool.
  - (2) "Unassigned Pre-Assistance Arrearages" -- means unpaid support in former aid cases that accrued before the family was receiving aid (temporarily assigned arrearages) and which exceeded the total unreimbursed assistance pool.
  - (3) "Unreimbursed Assistance Pool (UAP)" -- means the total cumulative amount of aid paid to the family assistance unit for AFDC, CalWORKs (which includes the legal immigrant program), or foster care programs which has not been repaid by the recoupment of collections for assigned current support or arrearages (permanently, temporarily assigned, or conditionally assigned through with an IRS tax intercept collection). The UAP must also be reduced by any state optional payments, as determined by the Department.
- (v) "Voluntary Payments" -- means support payments received from the noncustodial parent in Title IV-D cases where there is no court ordered obligation. These payments must be treated as the obligation for the current month in the month they are received.
- (w)
  - (1) "Welfare Distribution Process" -- means a monthly process where assigned support payments collected on behalf of current or former assistance cases are distributed to reimburse the aid payments made to the family or to the foster care child, or to authorize payments to families, as defined in Section 12-101.3.
  - (2) "Working Day" -- means the day that the district attorney's office is open for business.



<b>12-405</b>	<b>DEFINITIONS</b> (Continued)	<b>12-405</b>
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(x) Reserved

(y) Reserved

(z) Reserved

NOTE: Authority Cited: Sections 10553, 10554, 11457, 11475, and 11479.5, Welfare and Institutions Code. Reference: Section 11477, Welfare and Institutions Code; Section 695.221, Civil Code of Procedures; Personal Responsibility and Work Opportunity Act of 1996 (P.L. 104-193), Section 408(a)(3)(A) [42 U.S.C. 608(a)(3)(A)], Section 454B(c)(1) [42 U.S.C. 654B(c)(1)], and Section 457(a) [42 U.S.C. 657(a)]; Office of Child Support Enforcement (OCSE) Action Transmittal 97-13, Section K - Question 70; and OCSE Action Transmittal 97-17, Sections I(c) and (f), III(e) through (n), IV(a), V, VI, and VII, and Questions 22, 41, and 42.

<b>12-410</b>	<b>ASSIGNMENT OF SUPPORT RIGHTS</b>	<b>12-410</b>
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**.1** Assignment Requirements

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As a condition of eligibility for aid under the CalWORKs or Foster Care programs, each applicant or recipient shall assign to the county any rights to support from any other person the applicant or recipient may have on his or her own behalf or on behalf of any other family member for whom the applicant or recipient is applying for or receiving aid. Receipt of aid automatically constitutes an assignment by operation of law.

**.11** See Manual of Policies and Procedures Section 82-506 for applicants/recipients assignment of support rights requirements.

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**.12** Assignment Duration

<b>12-410</b>	<b>ASSIGNMENT OF SUPPORT RIGHTS</b> (Continued)	<b>12-410</b>
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- .121 Support that was assigned prior to October 1, 1998 is permanently assigned.
- .122 Support that accrues after October 1, 1998 while the family is receiving aid is permanently assigned.
- .123 Support that accrues after October 1, 1998 before the family goes on aid or that was not assigned prior to October 1, 1998 is temporarily assigned while the family is receiving aid.
- .124 When the family is no longer receiving aid, the assignment of rights to current support terminates.
- .125 When the family is no longer receiving aid, the permanently assigned arrearages remain permanently assigned until repaid from child, family and spousal support payments collected.
  - (a) Medical support permanently assigned arrearages remain permanently assigned until repaid from medical support payments collected.
  - (b) The permanently assigned arrearages in a former assistance case shall not exceed the total amount of the unreimbursed assistance pool, unless interest has accrued on the permanently assigned arrearages after the calculation has been made in Section 12-410.131(a), if applicable.
- .126 When the family is no longer receiving aid, the temporarily assigned arrearages shall be conditionally assigned, up to the total amount of the unreimbursed assistance pool.
  - (a) The conditionally assigned arrearages in a former assistance case shall not exceed the total amount of unreimbursed assistance, unless interest has accrued on the conditionally assigned arrearages after the calculation has been made in Section 12-410.132(a), if applicable.
- .13 Unassigned Arrearages
  - .131 When the family or child is no longer receiving CalWORKs or foster care, the permanently assigned arrearages that exceed the unreimbursed assistance pool must be unassigned.
    - (a) Unassigned During Assistance Arrearages
      - (1) Permanently assigned arrearages that exceed the unreimbursed assistance pool are considered "unassigned during assistance arrearages."

<b>12-410</b>	<b>ASSIGNMENT OF SUPPORT RIGHTS</b> (Continued)	<b>12-410</b>
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- (2) To determine the amount of the permanently assigned arrearages that must be unassigned, the district attorney must first compare the amount of the permanently assigned arrearages against the unreimbursed assistance pool.

.132 After the comparison contained in Section 12-410.131, the district attorney must then determine if any conditionally assigned arrearages must be unassigned.

(a) **Unassigned Pre-Assistance Arrearages**

- (1) When the family or child is no longer receiving CalWORKs or foster care, after the calculation in Section 12-410.131, the amount of conditionally assigned arrearages in excess of the remaining unreimbursed assistance pool shall be "unassigned pre-assistance arrearages."

- (A) To compute the unassigned pre-assistance arrearages, the district attorney must next compare the amount of the conditionally assigned arrearages against the remaining unreimbursed assistance pool after the calculation in Section 12-410.131.

NOTE: Authority Cited: Sections 10553, 10554, 11457, 11475, and 11479.5, Welfare and Institutions Code. Reference: Sections 11477 and 14008, Welfare and Institutions Code; Section 695.221, Code of Civil Procedure; 42 CFR 433.145 and .146; Personal Responsibility and Work Opportunity Act of 1996 (P.L. 104-193), Section 408(a)(3)(A) [42 U.S.C. 608(a)(3)(A)] and Sections 457(a)(1), (2), (6), and (b) [42 U.S.C. 657(a)(1), (2), (6), and (b)]; Balanced Budget Act of 1997 (P.L. 105-33), Sections 5532(a) and (b) and (conforming amendments in PRWORA Section 408(a)(3)(A)) [42 U.S.C. 608(a)(3)(A)]; and Office of Child Support Enforcement Action Transmittal 97-17, Sections I(h), III(h), (j), (l), and (m), IV(a) through (b)(2), and VI(c)(3)(E), and Questions 14 through 17.

<b>12-415</b>	<b>ALLOCATION OF PAYMENTS IN MULTIPLE CASES</b>	<b>12-415</b>
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**.1 Allocation by Payment Source**

When the district attorney receives a collection from or on behalf of a noncustodial parent (NCP) with more than one case in the county, the payment shall be either applied to one specific case and distributed within the case based on the case status, or allocated between multiple cases depending upon the payment source and distributed within the case based on the case status.

**.11 The following payment sources and allocation rules are as follows:**

.111	Payment Source	Allocation Rule
(a)	Bankruptcy Trustee	To the specific case
(b)	Board of Equalization	To all NCP's cases
(c)	Bond	To the specific case with order
(d)	Debtor Exam	To the specific case
(e)	Direct Payment	To the specific case
(f)	Disability Insurance Benefits	To all NCP's cases
(g)	Earnings Withholding Order	To the specific case with the order
(h)	Financial Management Services Offset	To all NCP's cases submitted to the Department of Treasury with certified arrears
(i)	FTB Child Support Collection Program	To the specific case
(j)	FTB Tax Intercept	To all NCP's cases with certified arrears
(k)	Interstate Collection	To the specific case
(l)	IRS Full Collection	To the specific case submitted to the IRS for full collection services
(m)	IRS Tax Intercept	To all NCP's cases submitted to IRS with certified assigned arrearages first and the unassigned arrears

<b>12-415</b>	<b>ALLOCATION OF PAYMENTS IN MULTIPLE CASES</b> (Continued)	<b>12-415</b>
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(n)	Lottery Intercept	To all NCP's cases
(o)	Military Allotment	To the specific case with order
(p)	Noncustodial Parent Payment	To all NCP's cases
(q)	Non-Title IV-D FTB	To the specific case
(r)	Personal Property Liens	To the specific case with lien filed
(s)	Real Property Lien	To all NCP's cases which have a lien filed
(t)	Till Tap	To the specific case with order
(u)	Voluntary Payment (no court order in case)	To NCP's cases with a court order first, and remaining amount to the case without an order
(v)	Wage Assignment	To all NCP's cases with active wage assignments served on the same employer
(w)	Workers' Compensation Lump Sum Liens	To all NCP's cases with liens filed
(x)	Workers' Compensation - Withholding	To all NCP's cases with withholding claims
(y)	Writ of Execution	To the specific case with order
(z)	Unemployment Compensation	To all NCP's cases

**.12 Allocation Formula**

The allocation methodology for determining each case's share of the collection is as follows:

**.121 Prorate the collection first to satisfy all current support obligations.**

- (a) If the collection is not sufficient to satisfy all of the current support obligations for one noncustodial parent, prorate current support collections first to child and family support based on each case's proportionate share of the total current child or family support obligation owed, and then to current medical support owed and then to current spousal support owed.

<b>12-415</b>	<b>ALLOCATION OF PAYMENTS IN MULTIPLE CASES</b> (Continued)	<b>12-415</b>
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- (b) Example: If Case 1 had a current child support obligation of \$100, and Case 2 has a current child support obligation of \$400 and a medical support obligation of \$50, a collection received in the amount of \$150 on behalf of a noncustodial parent with multiple cases in the county would be prorated and Case 1 would receive 20 percent or \$30, and Case 2 would receive 80 percent or \$120. Because the priority is first to current child support, each case received a proportionate share based on the total child support obligations. The current medical support obligation was not included because there was not sufficient collections to satisfy the total current child support obligations in both cases.

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**HANDBOOK ENDS HERE**

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- .122 Prorate the remaining collections to satisfy arrearages.

- (a) If the collection is not sufficient to satisfy all of the arrearages owed, prorate to each case based on each case's proportionate share of the total arrearages owed.

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**HANDBOOK BEGINS HERE**

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For example, if Case 1 has \$1000 total arrearages owed, Case 2 has \$2,000 total arrearages owed, a collection received in the amount of \$1000 would be prorated with Case 1 receiving 33 percent of the collection, or \$330, and Case 2 would receive 67 percent, or \$670.

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**.3 Allocation of IRS Tax Intercept Collections**

Internal Revenue Service tax intercept collections shall be allocated to a noncustodial parent's multiple cases that have been certified to IRS for the tax intercept program with "assigned arrearages" based on each case's proportion of the total certified "assigned" arrearages owed (i.e., permanently, conditionally or temporarily assigned arrearages, principal plus interest). Any remaining arrearage collections would then be allocated to the cases that have been submitted to IRS with certified "unassigned" arrearages based on each case's proportion of the total certified unassigned arrearages owed (i.e., never assigned, unassigned pre-assistance, and unassigned during assistance arrearages, principal plus interest).

- .31 Internal Revenue Service tax intercept collections cannot be allocated to cases that are not certified to the IRS.

<b>12-415</b>	<b>ALLOCATION OF PAYMENTS IN MULTIPLE CASES</b> (Continued)	<b>12-415</b>
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**.4 Allocation of FTB Tax Intercept Collections**

Franchise Tax Board tax intercept collections shall be allocated to a noncustodial parent's multiple cases that have been certified to FTB for the tax intercept program based on the proration formula specified in Section 12-415.12.

**.41** Franchise Tax Board tax intercept collections cannot be applied to cases that are not certified to FTB.

**.5 Allocation of Wage Assignment Collections**

Wage assignment collections from employers shall be allocated to a noncustodia parent's multiple cases that have an active wage assignment for the same employer using the proration formula specified in Section 12-415.12.

NOTE: Authority Cited: Sections 10553, 10554, 11457, 11475, and 11479.5, Welfare and Institutions Code. Reference: Sections 11350, 11350.1, 11475.1, and 11478.6, Welfare and Institutions Code; Sections 697.320, 697.330, 697.510, 699.010 et seq., 703.030, 704.130, 704.160, 706.030, 708.010, 708.303, and 708.740, Code of Civil Procedures; Sections 12419.5 and .8, Government Code; Sections 4012, 4560, 4570, 4610, and 4900 et seq., Family Code; Sections 19271 through 19274, Revenue and Taxation Code; 42 U.S.C. 657(a)(2)(B)(iv); 45 CFR 202.6; 45 CFR 303.71, .80, and .100(a)(5); Office of Child Support Enforcement Action Transmittal 97-13, Question 6; and Office of Child Support Enforcement Action Transmittal 97-17, Case Scenario 7.

<b>12-420</b>	<b>DISTRIBUTION HIERARCHY</b>	<b>12-420</b>
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**(a) Distribution Priorities of Single Status Current Assistance Cases - Regular Collections**

**(1)** Regular collections received on behalf of single status current assistance cases shall be distributed by the district attorney in the following distribution priority order:

- (A)** Current child support or family support
- (B)** Current medical support
- (C)** Current spousal support
- (D)** Permanently assigned child or family support interest
- (E)** Permanently assigned medical support interest
- (F)** Permanently assigned spousal support interest
- (G)** Permanently assigned child or family support arrears principal
- (H)** Permanently assigned medical support arrears principal

<b>12-420</b>	<b>DISTRIBUTION HIERARCHY</b> (Continued)	<b>12-420</b>
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- (I) Permanently assigned spousal support arrears principal
- (J) Temporarily assigned child or family support interest
- (K) Temporarily assigned medical support interest
- (L) Temporarily assigned spousal support interest
- (M) Temporarily assigned child or family support arrears principal
- (N) Temporarily assigned medical support arrears principal
- (O) Temporarily assigned spousal support arrears principal
- (P) Fees and costs interest
- (Q) Fees and costs principal
- (R) Futures

(b) Distribution Priorities of Single Status Current Assistance Cases - IRS Tax Intercept Collections

- (1) Internal Revenue Service tax intercept collections received on behalf of single status current assistance cases, shall be distributed by the district attorney in the priority order in Section 12-420(a), except that these collections cannot be applied to current support, fees and costs, or futures.

(c) Distribution Priorities of Single Status Former Assistance Cases - Regular Collections

- (1) Regular collections received on behalf of single status former assistance cases shall be distributed by the district attorney in the following distribution priority order:
  - (A) Current child and family support
  - (B) Current medical support
  - (C) Current spousal support
  - (D) Never assigned child or family support interest
  - (E) Never assigned medical support interest
  - (F) Never assigned spousal support interest
  - (G) Never assigned child or family support arrears principal
  - (H) Never assigned medical support arrears principal
  - (I) Never assigned spousal support arrears principal
  - (J) Conditionally assigned child or family support interest
  - (K) Conditionally assigned medical support interest
  - (L) Conditionally assigned spousal support interest



<b>12-420</b>	<b>DISTRIBUTION HIERARCHY</b> (Continued)	<b>12-420</b>
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- (M) Conditionally assigned child or family support arrears principal
  - (N) Conditionally assigned medical support arrears principal
  - (O) Conditionally assigned spousal support arrears principal
  - (P) Unassigned pre-assistance child or family support interest
  - (Q) Unassigned pre-assistance medical support interest
  - (R) Unassigned pre-assistance spousal support interest
  - (S) Unassigned pre-assistance child or family support arrears principal
  - (T) Unassigned pre-assistance medical support arrears principal
  - (U) Unassigned pre-assistance spousal support arrears principal
  - (V) Permanently assigned child or family support interest
  - (W) Permanently assigned medical support interest
  - (X) Permanently assigned spousal support interest
  - (Y) Permanently assigned child or family support arrears principal
  - (Z) Permanently assigned medical support arrears principal
  - (AA) Permanently assigned spousal support arrears principal
  - (BB) Unassigned during assistance child or family support interest
  - (CC) Unassigned during assistance medical interest
  - (DD) Unassigned during assistance spousal support interest
  - (EE) Unassigned during assistance child or family support arrears principal
  - (FF) Unassigned during assistance medical support arrears principal
  - (GG) Unassigned during assistance spousal support arrears principal
  - (HH) Fees and costs interest
  - (II) Fees and costs principal
  - (JJ) Futures
- (d) Distribution Priorities of Single Status Former Assistance Cases - IRS Tax Intercept Collections
- (1) Internal Revenue Service tax intercept collections made on behalf of single status former assistance cases shall be distributed by the district attorney in the following distribution priority order:
    - (A) Permanently assigned child or family support interest
    - (B) Permanently assigned medical support interest

<b>12-420</b>	<b>DISTRIBUTION HIERARCHY</b> (Continued)	<b>12-420</b>
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- (C) Permanently assigned spousal support interest
- (D) Permanently assigned child or family support arrears principal
- (E) Permanently assigned medical support arrears principal
- (F) Permanently assigned spousal support arrears principal
- (G) Conditionally assigned child or family support interest
- (H) Conditionally assigned medical support interest
- (I) Conditionally assigned spousal support interest
- (J) Conditionally assigned child or family support arrears principal
- (K) Conditionally assigned medical support arrears principal
- (L) Conditionally assigned spousal support arrears principal
- (M) Unassigned pre-assistance child or family support interest
- (N) Unassigned pre-assistance medical support interest
- (O) Unassigned pre-assistance spousal support interest
- (P) Unassigned pre-assistance child or family support arrears principal
- (Q) Unassigned pre-assistance medical support arrears principal
- (R) Unassigned pre-assistance spousal support arrears principal
- (S) Unassigned during assistance child or family support interest
- (T) Unassigned during assistance medical support interest
- (U) Unassigned during assistance spousal support interest
- (V) Unassigned during assistance child or family support arrears principal
- (W) Unassigned during assistance medical support arrears principal
- (X) Unassigned during assistance spousal support arrears principal
- (Y) Never assigned child or family support interest
- (Z) Never assigned medical support interest
- (AA) Never assigned spousal support interest
- (BB) Never assigned child or family support arrears principal
- (CC) Never assigned medical support arrears principal
- (DD) Never assigned spousal support arrears principal

<b>12-420</b>	<b>DISTRIBUTION HIERARCHY</b> (Continued)	<b>12-420</b>
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(e) Distribution Priorities of Single Status Never Assistance Cases - Regular Collections

- (1) Regular collections received on behalf of never assistance cases shall be distributed by the district attorney in the following priority order:
- (A) Current child and family support
  - (B) Current medical support
  - (C) Current spousal support
  - (D) Never assigned child or family support interest
  - (E) Never assigned medical support interest
  - (F) Never assigned spousal support interest
  - (G) Never assigned child or family support arrears principal
  - (H) Never assigned medical support arrears principal
  - (I) Never assigned spousal support arrears principal
  - (J) Fees and costs interest
  - (K) Fees and costs principal
  - (L) Futures

(f) Distribution Priorities of Never Assistance Cases - IRS Tax Intercept Collections

- (1) Internal Revenue Service tax intercept collections received on behalf of never assistance cases shall be distributed by the district attorney in the following priority order:
- (A) Never assigned child or family support interest
  - (B) Never assigned medical support interest
  - (C) Never assigned spousal support interest
  - (D) Never assigned child or family support arrears principal
  - (E) Never assigned medical support arrears principal
  - (F) Never assigned spousal support arrears principal

(g) Distribution Priorities of Mixed Status Cases - Regular Collections

- (1) Regular collections received on behalf of mixed status cases shall be distributed by the district attorney in the following priority order:

<b>12-420</b>	<b>DISTRIBUTION HIERARCHY</b> (Continued)	<b>12-420</b>
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- (A) Child and Family Support
- (B) Medical Support
- (C) Spousal Support
- (D) Never assigned child or family support interest
- (E) Never assigned medical support interest
- (F) Never assigned spousal support interest
- (G) Never assigned child or family support arrears principal
- (H) Never assigned medical support arrears principal
- (I) Never assigned spousal support arrears principal
- (J) Conditionally assigned child or family support interest
- (K) Conditionally assigned medical support interest
- (L) Conditionally assigned spousal support interest
- (M) Conditionally assigned child or family support arrears principal
- (N) Conditionally assigned medical support arrears principal
- (O) Conditionally assigned spousal support arrears principal
- (P) Unassigned pre-assistance arrearages child or family support interest
- (Q) Unassigned pre-assistance medical support interest
- (R) Unassigned pre-assistance spousal support interest
- (S) Unassigned pre-assistance child or family support arrears principal
- (T) Unassigned pre-assistance medical support arrears principal
- (U) Unassigned pre-assistance spousal support arrearages principal
- (V) Permanently assigned child or family support interest
- (W) Permanently assigned medical support interest
- (X) Permanently assigned spousal support interest
- (Y) Permanently assigned child or family support arrears principal
- (Z) Permanently assigned medical support arrears principal
- (AA) Permanently assigned spousal support arrears principal
- (BB) Temporarily assigned child or family support interest
- (CC) Temporarily assigned medical support interest
- (DD) Temporarily assigned spousal support interest

<b>12-420</b>	<b>DISTRIBUTION HIERARCHY</b> (Continued)	<b>12-420</b>
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- (EE) Temporarily assigned child or family support arrears principal
- (FF) Temporarily assigned medical support arrears principal
- (GG) Temporarily assigned spousal support arrears principal
- (HH) Unassigned during assistance child or family support interest
- (II) Unassigned during assistance medical support interest
- (JJ) Unassigned during assistance spousal support interest
- (KK) Unassigned during assistance child or family support arrears principal
- (LL) Unassigned during assistance medical support arrears principal
- (MM) Unassigned during assistance spousal support arrears principal
- (NN) Fees and costs interest
- (OO) Fees and costs principal
- (PP) Futures

(h) Distribution Priorities of Mixed Status Cases - IRS Tax Intercept Collections

- (1) Internal Revenue Service tax intercept collections made on behalf of mixed status cases shall be distributed by the district attorney in the following priority order:
  - (A) Permanently assigned child or family support interest
  - (B) Permanently assigned medical support interest
  - (C) Permanently assigned spousal support interest
  - (D) Permanently assigned child or family support arrears principal
  - (E) Permanently assigned medical support arrears principal
  - (F) Permanently assigned spousal support arrears principal
  - (G) Temporarily assigned child or family support interest
  - (H) Temporarily assigned medical support interest
  - (I) Temporarily assigned spousal support interest
  - (J) Temporarily assigned child or family support arrears principal
  - (K) Temporarily assigned medical support arrears principal
  - (L) Temporarily assigned spousal support arrears principal
  - (M) Conditionally assigned child or family support interest

<b>12-420</b>	<b>DISTRIBUTION HIERARCHY</b> (Continued)	<b>12-420</b>
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- (N) Conditionally assigned medical support interest
  - (O) Conditionally assigned spousal support interest
  - (P) Conditionally assigned child or family support arrears principal
  - (Q) Conditionally assigned medical support arrears principal
  - (R) Conditionally assigned spousal support arrears principal
  - (S) Unassigned pre-assistance child or family support interest
  - (T) Unassigned pre-assistance medical support interest
  - (U) Unassigned pre-assistance spousal support interest
  - (V) Unassigned pre-assistance child or family support arrears principal
  - (W) Unassigned pre-assistance medical support arrears principal
  - (X) Unassigned pre-assistance spousal support arrears principal
  - (Y) Unassigned during assistance child or family support interest
  - (Z) Unassigned during assistance medical support interest
  - (AA) Unassigned during assistance spousal support interest
  - (BB) Unassigned during assistance child or family support arrears principal
  - (CC) Unassigned during assistance medical support arrears principal
  - (DD) Unassigned during assistance spousal support arrears principal
  - (EE) Never assigned child or family support interest
  - (FF) Never assigned medical support interest
  - (GG) Never assigned spousal support interest
  - (HH) Never assigned child or family support arrears principal
  - (II) Never assigned medical support arrears principal
  - (JJ) Never assigned spousal support arrears principal
- (i) Franchise Tax Board tax intercept collections and federal financial management services offset collections received, shall be distributed by the district attorney in the distribution priority as a regular payment, except that these payments cannot be applied to futures.
- (j) Never Assistance Case - Medically Needy Only - Regular Collections
- (1) Current child and family support
  - (2) Current medical support

**12-420**     **DISTRIBUTION HIERARCHY** (Continued)**12-420**

- (3)     Current spousal support
- (4)     Never assigned child or family support interest
- (5)     Never assigned medical support interest
- (6)     Never assigned spousal support interest
- (7)     Never assigned child or family support arrears principal
- (8)     Never assigned medical support arrears principal
- (9)     Never assigned spousal support arrears principal
- (10)    Conditionally assigned medical support interest
- (11)    Conditionally assigned medical support principal
- (12)    Permanently assigned medical support interest
- (13)    Permanently assigned medical support principal
- (14)    Fees and costs interest
- (15)    Fees and costs principal
- (16)    Futures

**(k)**     Never Assistance Case - Medically Needy Only - IRS Tax Intercept Collections

- (1)     Permanently assigned medical support interest
- (2)     Permanently assigned medical support principal
- (3)     Conditionally assigned medical support interest
- (4)     Conditionally assigned medical support principal
- (5)     Never assigned child or family support interest
- (6)     Never assigned medical support interest
- (7)     Never assigned spousal support interest
- (8)     Never assigned child or family support arrears principal
- (9)     Never assigned medical support arrears principal
- (10)    Never assigned spousal support arrears principal

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<b>12-420</b>	<b>DISTRIBUTION HIERARCHY</b> (Continued)	<b>12-420</b>
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NOTE: Authority Cited: Section 10553, 10554, 11475, and 11479.5, Welfare and Institutions Code. Reference: Section 11477, Welfare and Institutions Code; Section 695.221, Code of Civil Procedure; Personal Responsibility and Work Opportunity Act of 1996 (P.L. 104-193), Sections 457(a)(1) and (2) [42 U.S.C. 657(a)(1) and (2)]; Office of Child Support Enforcement Action Transmittal 97-17, Sections V, VI, and VIII, Questions 13, 15, 27, 28, 29, 30, 33, 42, and 45; and 45 CFR 302.52.

<b>12-425</b>	<b>WELFARE DISTRIBUTION PROCESS</b>	<b>12-425</b>
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(a) Time Frame

- (1) The welfare distribution process shall be completed within 13 calendar days after the end of the aid and collection month.

(b) Designated Agency

- (1) The district attorney may delegate another county agency to perform the welfare distribution process via a plan of cooperation.
- (A) The district attorney shall be responsible for ensuring that all distribution amounts are proper and the time frames are met for completing the welfare distribution process and disbursing disregards, pass-on, and excess payments to the family or to the foster care placement agency.
- (B) The county welfare department is responsible for disbursing the disregard payments to the CalWORKs family.

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**HANDBOOK BEGINS HERE**

- (C) Additional Child Support Program collection and distribution regulations are contained in Manual of Policies and Procedures Sections 43-203, 82-506, 82-508, 82-518, and 82-520.

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(c) Disregard Payment

- (1) If a current support payment is received on behalf of a current assistance CalWORKs case (court ordered or voluntary), the district attorney shall authorize up to the first \$50 of a collection as a "disregard payment."
- (A) This payment shall be made to the assistance unit within the time frames set forth in Sections 12-108.51 and .511.
- (B) The unreimbursed assistance pool must be reduced by any disregard amount authorized.

<b>12-425</b>	<b>WELFARE DISTRIBUTION PROCESS</b> (Continued)	<b>12-425</b>
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- (C) If the amount is less than \$50, the district attorney shall authorize the entire amount as a disregard payment.
  - (D) When current support is received from more than one noncustodial parent for the collection month, only one disregard of up to \$50 shall be authorized as a payment to the family for the given month.
  - (E) When current support is received from one noncustodial on behalf of multiple current assistance cases, a disregard of up to \$50 for each assistance unit shall be authorized.
  - (F) Disregard payments shall be authorized in CalWORKs cases only. No disregard shall be authorized for a foster care case.
  - (G) When a direct payment is received, and the district attorney has been notified that the maximum disregard has been authorized, no additional disregard shall be authorized for the collection month.
  - (H) If no current support payment is received during the collection month, a disregard cannot be authorized.
  - (I) This payment is a state-optional payment.
- (d) Current Recoupment
- (1) In a current assistance CalWORKs case, any amount of current child, family, or spousal support collected that remains after the amount distributed under Section 12-425(c) shall be retained by the county to reimburse, in whole or in part, the aid payment for that month.
  - (2) In a current assistance foster care case, any amount of current child support collected shall be retained by the county to reimburse in whole or in part the aid payment for that month.
  - (3) Of the amount retained in Section 12-425(d)(1) or (2), the district attorney shall reimburse the state and federal governments according to the repayment sharing rates provided annually by the Department.
- (e) (Reserved)
- (f) (Reserved)
- (g) Unreimbursed Assistance Pool Adjustment
- (1) Any state optional payments, as determined by the Department, paid to the CalWORKs family shall reduce the remaining unreimbursed assistance pool balance after the distribution of the current support payment.

<b>12-425</b>	<b>WELFARE DISTRIBUTION PROCESS</b> (Continued)	<b>12-425</b>
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- (A) The adjustment to the unreimbursed assistance pool cannot reduce the unreimbursed assistance pool balance less than zero.

(h) Arrears Recoupment

- (1) Any amount of child, family, or spousal support collected that represents payment on arrearages shall be retained by the county as reimbursement of the adjusted unreimbursed assistance pool amount specified in Section 12-425(g).

- (A) Of the amount retained, the county shall reimburse the state and federal governments according to the repayment sharing rates provided annually by the Department.

(i) Excess

- (1) Any amounts collected which remain after the amounts distributed under Section 12-425(h) shall be paid to the family in a current assistance CalWORKs case or sent to the county welfare department to be placed in trust or used for the needs of the foster care child, as determined by the county welfare department.

- (A) Excess payments must be made within the time frames specified in Section 12-108.

(j) Maximum Reimbursement

- (1) The maximum amount the county may retain as reimbursement of aid is the amount of the total support obligation owed for the period(s) in which the family was on CalWORKs that has been permanently assigned, plus any payments on the required support obligation for months prior to the period in which the family was on CalWORKs that is temporarily or conditionally assigned.

- (A) Reimbursement with conditionally assigned arrearages shall be made only with IRS tax intercept collections.

- (B) In no instance shall reimbursement exceed the unreimbursed assistance pool.

- (C) The county shall reimburse the state and federal governments according to the repayment sharing rates provided annually by the Department.

(k) Futures

- (1) Any amounts collected as support which represent payment on the required support obligation for future months shall be held from distribution/disbursement and treated as if it were collected in such future months.

<b>12-425</b>	<b>WELFARE DISTRIBUTION PROCESS</b> (Continued)	<b>12-425</b>
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- (A) No such amount shall be applied to future months unless amounts have been collected which fully satisfy the support obligation assigned pursuant to Section 12-410 for the current month and all past months.
- (B) If a future obligation does not exist or is expected not to exist, this excess is an invalid payment and shall be returned to the noncustodial parent.

(l) **Futures Returned to Payor**

- (1) Any amounts remaining in the account of the payor at the time aid is terminated shall be returned to the payor when the custodial parent cannot be located and the requirements in Section 12-430(k)(1)(A) have been satisfied.

(m) **Identification of Payments**

- (1) Any amounts paid to the family pursuant to Sections 12-425(c) and (i) shall be identified as a child support payment and not as an aid payment. Amounts paid under Section 12-425(c) must be identified and paid pursuant to instructions in Section 25-370.
  - (A) All support payments made to a CalWORKs assistance unit under this section shall be made to the resident parent, caretaker relative, or legal guardian having legal custody of or responsibility for the child for whom the support was received.
  - (B) No payments shall be made to the family in foster care cases. Any payments made on behalf of a foster care child, pursuant to Section 12-425(i), shall be made to the county welfare department to be held in trust or used in the best interest of the child, as determined by the county welfare department.

(n) **Unpaid Support Obligations**

- (1) After discontinuance of CalWORKs or foster care, the district attorney will continue to attempt to collect on any unpaid support obligation that occurred under an assignment pursuant to Section 12-410.
  - (A) Any child, family and spousal support collections applied to the permanently assigned arrearages and IRS tax intercept collections applied to the conditionally assigned arrearages shall be used to reimburse any amounts of past aid which have not been reimbursed under Section 12-425(h).
    - 1. These collections shall be reimbursement to the county, state, and federal governments according to the repayment sharing rates provided annually by the Department.

(o) **Information to the County Welfare Department**

<b>12-425</b>	<b>WELFARE DISTRIBUTION PROCESS</b> (Continued)	<b>12-425</b>
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- (1) The district attorney is responsible for ensuring that all distribution amounts are proper and the time frames are met for disbursing payments to families and on behalf of foster care cases.
- (2) The county welfare department is responsible for disbursing the disregard payments to the family within the required time frames.
- (3) The district attorney shall notify the county welfare department each month of the current support collection amount and the date the payment was received within 10 working days from the end of the collection month.
- (4) When the county welfare department is the designated agency for distributing collections made on behalf of current and former aid cases, the district attorney shall provide the county welfare department with sufficient information to properly distribute the support payment received with sufficient time for the county to process payments to CalWORKs families, and payments on behalf of foster care cases within the time frame requirements in Section 12-108.
- (5) When the county welfare department disburses disregard payments, the district attorney shall provide the amount of disregard authorized in sufficient time for the county welfare department to make appropriate disregard payments in accordance with the time frame requirements specified in Section 12-108.

NOTE: Authority Cited: Sections 10553, 10554, 11457, 11475, and 11479.5, Welfare and Institutions Code. Reference: Sections 11460 and 11475.3, Welfare and Institutions Code; Personal Responsibility and Work Opportunity Act of 1996 (P.L. 104-193), Sections 457(a)(1) and (2) [42 U.S.C. 657(a)(1) and (2)]; Balanced Budget Act of 1996 Sections 5532(c) and 5547; Office of Child Support Enforcement Action Transmittal 97-13, Question and Answer 70; Office of Child Support Enforcement Action Transmittal 97-17, Sections I(f), II(a), III(b)(2), IV(a) and (b), V, VI, VI(b) and (c), and VIII, Questions 2 through 7, 10, 14, 15, 20, 22, 23, 24, and 30; 45 CFR 302.33(a)(2) and .52; and 45 CFR 304.21 and .22.

<b>12-430</b>	<b>CHILD/FAMILY/MEDICAL/SPOUSAL SUPPORT DISBURSEMENT REQUIREMENTS</b>	<b>12-430</b>
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(a) Disbursement Time Frames

- (1) Disbursements of support payments made to the family must be made within the disbursement time frame requirements specified in Section 12-108.

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- (A) Collection disbursement time frame requirements are also contained in Manual of Policies and Procedures Section 82-520.6.

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(b) Child, Family, and Spousal Support Collections in Current Assistance Cases

- (1) In current assistance cases, collections that are applied to current child/family and spousal support obligations, permanently and temporarily assigned child/family and spousal support arrears interest and principal must go through the welfare distribution process pursuant to Section 12-425.
- (A) Payments to the CalWORKs family and payments made on behalf of foster care case, pursuant to Section 12-425, must be paid within the time frames specified in Section 12-108.
- (B) Any medical support collections on the permanently, temporarily assigned arrearages, and IRS collections applied to the conditionally assigned arrearages shall be paid to the Department of Health Services.
- (C) No payments shall be made to the family in current assistance foster care cases. Payments to the foster care case shall be transmitted to the county welfare department to be placed in trust for the child or used in the best interest of the child, as determined by the county welfare department.

(c) Medical Support Collections in Current Assistance Cases

- (1) In current assistance cases, collections that are applied to current medical support obligations, permanently assigned medical support arrears interest and principal, temporarily assigned medical support arrears interest and principal, and conditionally assigned medical support arrears interest and principal from an IRS tax intercept collection, shall be paid to the Department of Health Services.

(d) Futures In Current Assistance Cases

- (1) In current assistance cases, collections that are applied to futures shall be held by the district attorney for distribution when the noncustodial parent does not make current support payments when due.

<b>12-430</b>	<b>CHILD/FAMILY/MEDICAL/SPOUSAL SUPPORT DISBURSEMENT REQUIREMENTS</b> (Continued)	<b>12-430</b>
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- (A) The noncustodial parent will be credited for any future payments held for distribution and disbursement in a future month.
- (e) Unassigned Child, Family, Medical, and Spousal Support Collections in Former and Never Assistance Cases
- (1) In former and never assistance cases, collections that are applied against the current support obligations, unassigned pre-assistance arrearages interest and principal, unassigned during assistance arrearages interest and principal, and/or never assigned arrearages interest and principal shall be paid to the family.
- (f) Assigned Child, Family, and Spousal Support Collections in Former Assistance Cases
- (1) In former assistance cases, collections that are applied against the permanently assigned child/family and spousal support arrearages including interest and principal shall go through the welfare distribution process pursuant to Section 12-425.
- (A) In former assistance cases, regular collections that are applied against the conditionally assigned child, family, medical, and spousal support arrears interest and principal must be paid to the family.
- (B) In former assistance cases, IRS tax intercept collections that are applied against the conditionally assigned child, family, and spousal support arrears interest and principal shall go through the welfare distribution process pursuant to Section 12-425.
- (g) Assigned Medical Support Collections in Former Assistance and Never Assistance Cases
- (1) In former assistance cases and never assistance cases where there is an assignment for medical support, collections that are applied to permanently assigned arrearages interest and principal, and conditionally assigned medical support arrears interest and principal from an IRS tax intercept collection, shall be paid to the Department of Health Services.
- (2) In former assistance and never assistance cases where there is an assignment for medical support, collections that are applied to conditionally assigned medical support arrears interest and principal from a regular collection, shall be paid to the family.
- (h) Futures in Former Assistance and Never Assistance Cases
- (1) In former assistance and never assistance cases, collections that are applied against futures shall be paid to the family.
- (A) The noncustodial parent shall be credited for any future payments paid to the family.

<b>12-430</b>	<b>CHILD/FAMILY/MEDICAL/SPOUSAL SUPPORT DISBURSEMENT REQUIREMENTS</b> (Continued)	<b>12-430</b>
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(i) Fees and Costs

- (1) Collections that are applied to fees and costs interest and principal shall be reported as an abatement on the CS 356.2 of the district attorney's child support expenditure and certification claim, CS 356 series reports.

(j) Whole Dollar Amounts

- (1) For purposes of this section, the district attorney may round off the support payments to the nearest whole dollar amounts.

(k) Treatment of Undeliverable and Uncashed Warrants

- (1) The district attorney must treat undeliverable warrants in accordance with the requirements in Welfare and Institutions Code Section 11475.3.

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**HANDBOOK BEGINS HERE**

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- (A) Welfare and Institutions Code Section 11475.3 requires that when a payment made to the family under Sections 12-425(c) and (i) and Sections 12-430(e), (f)(1), (g), and (h) is undeliverable, because the recipient cannot be located, the district attorney shall make all reasonable efforts to locate the obligee for a period of six months.

1. If the district attorney is unable to locate the family within the six month period, the payment shall be returned to the payor with a written notice advising the payor of the following information:

- (i) The returned funds shall not relieve the payor of the support ordered obligation, and
- (ii) The payor should consider placing the funds aside for the purposes of support in case the family appears and seeks payment.

2. No interest shall accrue on any past due support for which the payor has made payment to the district attorney for the six month period, or on any amounts due thereafter until the family is located as long as the district attorney has returned the funds due to the inability to locate the family.

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<b>12-430</b>	<b>CHILD/FAMILY/MEDICAL/SPOUSAL SUPPORT DISBURSEMENT REQUIREMENTS</b> (Continued)	<b>12-430</b>
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- (2) When a warrant which is sent to the family pursuant to Sections 12-425(c) and (i) and Sections 12-430(e), (f)(1), (g), and (h) is uncashed, the district attorney shall take the following actions:
- (A) Declare the check void six months after issuance, and
  - (B) Hold the funds in stewardship for two years after the warrant is declared void. Government Code Section 29802 gives the payee this period of time to seek payment from the issuing agency. At the end of the two-year period, if no payment has been claimed, the funds revert to the county general fund.
  - (C) Funds that revert to the county general fund, pursuant to Section 12-430(k)(2)(B), shall be reported on the CS 820, and as an abatement on the CS 356.2 of the district attorney's quarterly administrative expenditure claim.

NOTE: Authority Cited: Sections 10553, 10554, 11457, 11475, and 11479.5, Welfare and Institutions Code. Reference: Sections 11475.3 and 14008.6, Welfare and Institutions Code; Section 29802, Government Code; 42 CFR 433.146; Personal Responsibility and Work Opportunity Act of 1996 (P.L. 104-193), Section 454B(c)(1) [42 U.S.C. 654B(c)(1)], Section 455(d) [42 U.S.C. 655(d)], and Sections 457(a)(1) and (2) [42 U.S.C. 657(a)(1) and (2)]; Balanced Budget Act of 1997 (P.L. 105-33), Section 5532(b) (conforming amendments in Section 457(a)(6)) [42 U.S.C. 657(a)(6)]; Office of Child Support Enforcement Action Transmittal 97-13, Question 70; and Office of Child Support Enforcement Action Transmittal 97-17, Sections I, V, VI, and VII, and Questions 22 and 41.

<b>12-435</b>	<b>CHILD/FAMILY AND SPOUSAL SUPPORT MONTHLY REPORTS</b>	<b>12-435</b>
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**.1 Required Collection and Distribution Summary Reports**

- .11 The district attorney shall accurately complete and submit the following required child/family/medical and spousal support collection and distribution reports to the Department by each report due date:
  - .111 The CS 820 is a monthly report that is due to the Department by the fifteenth working day following the end of the collection month.
  - .112 The CS 800 is a monthly report that is due to the Department by the eighth working day following the end of the welfare distribution month.
  - .113 The CS 803 is a monthly report that is due to the Department by the eighth working day following the end of the welfare distribution month.

<b>12-435</b>	<b>CHILD/FAMILY AND SPOUSAL SUPPORT MONTHLY REPORTS</b>	<b>12-435</b>
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(Continued)

- (a) The CS 803 report must accompany the CS 800 report to the Department.
- (b) The CS 802 is a summary report that must be completed monthly by counties that do not fully automate the CS 800 reporting series for audit purposes and provide the report upon request to the Department, federal, and/or state auditor, and child support program reviewers.

**.2 Required Collection and Distribution Case Level Detail Reports**

**.21** The district attorney shall complete monthly the following required case level detail reports for audit purposes and provide each report upon request to the Department, federal, and/or state auditor, and child support program reviewers:

**.211 CS 821**

**.212 CS 801**

**.3** The reports in Sections 12-435.1 and .2 shall be retained for four years plus four months, unless there is any litigation, claim, financial management review or audit outstanding.

**.31** If any litigation, claim, financial management review, or audit is outstanding on the reports during the retention period specified in Sections 12-435.1 and .2, the district attorney must retain the records until the litigation, claim, financial management review, or audit involving the records is resolved and final action has been taken.

NOTE: Authority Cited: Sections 10553, 10554, 11457, 11475, and 11479.5, Welfare and Institutions Code. Reference: Personal Responsibility and Work Opportunity Act of 1996 (P.L. 104-193), Section 455(d) [42 U.S.C. 655(d)]; 45 CFR 74.53(b)(1); Office of Child Support Enforcement Action Transmittal 97-17, Questions 20 and 43; and Department of Health and Human Services letter to IV-D Directors, dated June 12, 1998.